

Arizona Department of Liquor Licenses and Control Most Frequently Asked Questions

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SERVING HOURS

During what hours may liquor be sold or served?

Spirituous liquor may be sold or served on a licensed premise between the hours of 6:00 a.m. and 2:00 a.m. Monday thru Saturday and 10:00 a.m. and 2:00 a.m. on Sundays.

An on-sale retail licensee may not allow a person to consume spirituous liquor on the premises between the hours of 2:30 a.m. and 6:00 a.m. Monday thru Saturday and 2:30 a.m. and 10:00 a.m. on Sundays.

No person who is not the licensee or employee can possess spirituous liquor in open containers on the premises between the hours of 2:30 a.m. and 6:00 a.m. Monday thru Saturday and 2:30 a.m. and 10:00 a.m. on Sundays. [A.R.S. 4-244(15)(17)]

Can liquor be served on election day?

Yes, election days are like any other day. There is no extra prohibition with respect to the hours of operation.

May a restaurant or hotel/motel licensee decide when to stop serving food and continue serving liquor?

The kitchen must be open and operating with a full menu until 10:00 p.m. if any liquor is to be sold after 10:00 p.m. [A.A.C. R19-1-208]

LIQUOR AND AGE

What is the legal drinking age in Arizona?

21 years of age [A.R.S. 4-101(16)]

What is the minimum age for serving/selling spirituous liquor?

19 years of age for an on-sale establishment such as a restaurant or bar and 19 for an off-sale establishment that sells primarily spirituous liquor (liquor store). If the off-sale establishment sells primarily items other than spirituous liquor such as a grocery store, the clerk may be 16 years of age as long as the employee's supervisor, who is at least 19 years of age, is on the premises at all times. [A.R.S. 4-244(10)(11)]

Can a 16 year old work as a waitress/waiter in a restaurant that serves liquor? Yes, however the 16 year old is prohibited from serving, dispensing, or stocking liquor. They may take the food and drink order but will need to have an employee that is at least 19 years of age dispense the liquor and serve the customer.

How old do you have to be to buy non-alcoholic beer?

There is no age restriction. The Department of Liquor Licenses and Control does not control the sale of non-alcoholic beverages.

Can children be in a bar?

Yes, as long as the person under the legal drinking age is accompanied by a parent, legal guardian, or spouse of legal drinking age. A person under the legal drinking age may also be on the premises if they are an on-duty employee of the licensee and are as least 19 years of age. [A.R.S. 4-244(22)(a)]

May a child sit at the bar?

There is nothing that specifically prohibits a child from sitting at the bar as long as the child is accompanied by a parent, legal guardian, or spouse of legal age.

May the licensee of a liquor licensed establishment make "house rules" that are more restrictive than AZ Liquor Law?

Absolutely.

May an underage person consume spirituous liquor on a licensed premise if he/she is with a parent who consents?

No. [A.R.S. 4-244(9)(16)]

IDENTIFICATION

Is it illegal for a customer to be on a licensed premise without proper identification?

No. However, if asked by the establishment to show proper I.D., the customer must produce it in order to be served. [A.R.S. 4-241(A)]

What are the acceptable forms of identification?

(1) An unexpired driver's license from any state or Canada provided it includes a picture of the licensee, (2) an identification card issued by any state or Canada as long as the ID card includes a picture of the person and the person's date of birth, (3) an armed forces identification card, (4) a valid unexpired passport or border crossing identification card issued by a government or a voter card that is issued by the government of Mexico. The passport, border crossing card and the voter card must contain a photograph of the person and the person's date of birth. [A.R.S. 4-241(K)1-4]

What are the penalties for using false identification?

People under the age of 21 who use a false-identifying instrument or otherwise purchase spirituous liquor may, in addition to other privileges, be subject to losing driving privileges.

May an underage person who attempts to buy liquor with a false I.D. go to jail? Yes. He/she could be guilty of a class 1 misdemeanor. [A.R.S. 4-241(L)]

Can I accept a vertical format ID as an acceptable form of identification?

Yes, if the person presenting the ID is now 21 years of age, the ID is not expired, and the person presenting the ID is the person pictured on the ID.

QUALIFICATION AND LICENSING

How long does it take to process a license after application has been made? Approximately 90 – 105 days.

What is the difference between "on-sale and "off-sale?"

On-sale means that the liquor will be consumed on the premises such as a bar or restaurant. Off-sale means that the liquor will be consumed off of the licensed premises such as a grocery or liquor store.

How far must I be from a church or school? 300 horizontal feet. [A.R.S. 4-207(A)]

Are there any exceptions to the 300 foot requirement?

Yes. Restaurant licenses (Series 12), Special Event licenses (Series 15), Hotel/Motel licenses (Series 11), Government licenses (Series 5), and the fenced playing area of a golf course. [A.R.S. 4-207(B)]

How do I measure the 300 feet?

It is measured from the closest corner of the proposed liquor license building to the closest corner of the church or to the closest corner of the public or private school building with kindergarten programs or any of grades one through twelve. If the school has a fenced recreational area that it closer to the proposed liquor building, then the measurement is from the proposed liquor building to the closest corner of the fenced recreational building. [A.R.S. 4-207(A)]

Can I be an owner or manager of a liquor licensed business if I have been convicted of a felony within the last 5 years?

No. [A.R.S. 4-210(A)8]

<u>I have been arrested for a DUI.</u> Can I still be an owner or manager of a liquor license?

Yes, as long as the DUI was not a felony conviction within the last 5 years.

When filling out the Questionnaire, how far back do I have to disclose any past criminal history or run-ins with law enforcement? (Questions #15 and 16)

You must disclose ANY past criminal history regardless of the disposition, even if expunged or dismissed.

<u>Is it mandatory that licensees and their employees attend a liquor law training program?</u>

When submitting an original application the owners and/or the person responsible for the day-to-day operations must attend the basic and management liquor law training class. Managers must also attend both the basic and management liquor law training class.

In addition to the previously mentioned individuals that are required to attend the liquor law training classes, any employee who serves, sells or furnishes spirituous liquor to a retail customer must complete liquor law training before serving, selling or furnishing spirituous liquor. When the new training standards are finalized, licensees will be alterted and time frames for compliance prior to enforcement will be announced.

Where can I find a list of the approved trainers?

You will find a list of the Department approved liquor law trainers on our website www.azliquor.gov. Click on the "Training" button and select from any of the trainers listed. The Department oversees the content of the training material taught in the class however we do not control the fees that are charged for the classes or the class locations. Some of the trainers are willing to travel to areas outside of the metro areas and others are not. You will need to find the trainer that works best for your particular situation.

Does AZ have bartender certification like Nevada and some other states do?

No. AZ does not provide any type of ID card to employees in the liquor industry. After January 1, 2009, all employees that serve or sell liquor will be required to take the basic liquor law training class. You will receive a certificate after taking the class.

I need to close my business for a few months. Do I need to notify the Department?

Yes. You will need to place your license on inactive status if your business will be closed for more than 30 consecutive days. [A.A.C. R19-1-307]

What is "inactive status"?

Whenever your license will not be actively used for more than 30 consecutive days, you must notify the Department that you wish to place your license on inactive status. The first 5 months that a license is on inactive status there is no charge to the licensee. Beginning with the 6^{th} month that the license is on inactive status, it will begin to accrue a \$100 per month inactive fee that is payable at the time that the license is returned to active status. [A.R.S. 4-203(G)]

How long can I keep my license on inactive status?

Your license will automatically revert to the state after being held in continuous nonuse status in excess of 36 months. [A.R.S. 4-203(G)]

What do I do if I have permanently closed my business?

You will need to notify the Department in writing that you wish to surrender your non-transferable license. [A.A.C. R19-1-308]

I have a Series 6, 7 or 9 liquor license and I have sold my business. What do I do? You will need to notify the Department within 15 business days that you have sold the license. [A.R.S. 4-203(E)]

<u>I am changing the floor plan of my licensed business by adding square footage and a patio. What do I need to do?</u>

Since this is a permanent change to your premises, you will need to complete the "Extension of Premises/Patio Permit" form found on our website. Once the form has been filled out you will need to take it to your local governing body (city or county government offices) and have them sign off on the form. By signing this, the city/county government office is stating that your extension had met their building code and fire safety issues. Once the form has been signed off, bring or mail it to the Department. One of our Investigators will come out to the premises to look over the changes. If approved, you will receive a copy of the form in the mail, marked "approved". You will then be able to serve and sell liquor in the new area.

What if I want to temporally extend my premises for one day?

You will need to complete the "Extension of Premises/Patio Permit form found on our website. Have the form signed off by the local governing body and submit it to our Department for final approval.

OPERATIONAL MATTERS

Do I have to buy all of my liquor from a wholesaler? Yes. [A.R.S. 4-243.01, 4-244.7]

Are there any exceptions to having to buy my liquor from a wholesaler?

Yes. A retailer may also purchase directly from a licensed in-state Domestic Farm Winery or an out-of-state winery that holds an Out-of-State Domestic Farm Winery license for AZ. [A.R.S. Section 4-205.04(7)] Additionally, the retailer may also purchase directly from a licensed in-state Domestic Microbrewery as well as an AZ licensed Out-of-State Domestic Microbrewery. [A.R.S. 4-205.08(D)5(b)]

Where can I get a copy of the liquor laws?

You can download a copy of the laws from our website – just click on the "Laws" button.

What is the primary area of enforcement in liquor sales?

The most highly enforced areas are selling to minors and overservice.

Can an employee be held liable for serving an intoxicated person?

Yes. An employee could be held criminally liable. He/she could be named in a civil lawsuit should an accident result.

Can an employee be cited for serving an intoxicated person after having followed the employer's orders to do so?

Yes. [A.R.S. Section 4-244.14]

Can a bar owner drink spirituous liquor in his/her own establishment?

Yes, as long as the owner is not engaged in waiting on or serving customers. [A.R.S. Section 4-244.12]

Can a bar owner or employee be on or about the licensed premises while in an intoxicated or disorderly condition?

No. [A.R.S. Section 4-244.12]

How long may an obviously intoxicated person remain in the bar?

Thirty minutes from the time the state of intoxication is known or should be known to the licensee or employee of the licensee. This allows time for a sober person to arrive at the premises and drive the intoxicated person home. [A.R.S. 4-244.14]

Is it legal for a band member, karaoke host or DJ to drink while performing?

Yes. Persons on the premises for a vocal or musical performance may consume spirituous liquor while performing. [A.R.S. 4-101.16]

Can a bartender or server buy a drink for a customer?

No. [A.R.S. 4-244.13]

How many drinks may I serve to a person at one time for that person's consumption?

The law no longer defines this limit at the number of drinks, but rather the amount of liquor served. It is unlawful for an on-sale retail licensee or employee to deliver more than thirty-two ounces of beer, one liter of wine or four ounces of distilled spirits in any spirituous drink to one person at one time for that person's consumption. It is also unlawful to conduct drinking contests or sell or deliver to a

person an unlimited number of spirituous liquor beverages during any set period of time for a fixed price. Advertising any of these situations is also prohibited. [A.R.S. 4-244.23]

<u>I have an on-sale retail liquor license and a customer wants to bring their own bottle of wine to be served with their meal. Can I allow this?</u>

No. On-sale retail licensees are prohibited from having any beer, wine or liquor on their premises that they did not purchase from a licensed AZ wholesaler. [A.R.S. 4-244.39]

What about a wine and food club? Can they bring their own wine into my restaurant?

Yes. The wine and food club must be an association that has more than twenty bona fide members paying at least six dollars per year in dues and that has been in existence for at least one year. The club members must consume their wine in conjunction with meals purchased at a meeting of the club that is conducted on the restaurant's premises. At least seven members of the club must be in attendance. [A.R.S. 4-244.39]

May liquor in unbroken packages be removed from an on-sale establishment by a customer?

It depends on the type of liquor license the establishment has. A Series 6 Bar or a Series 7 Beer & Wine Bar license has the privilege of selling package liquor in addition to serving liquor for consumption on the premises. A Series 12 Restaurant, Series 14 Club, Series 11 Hotel/Motel and a Series 5 Government license are not permitted to sell package liquor. [A.R.S. 4-244.31]

<u>Can a patron remove a partially consumed bottle of wine from my on-sale retail</u> premises?

Yes, as long as the wine was purchased in conjunction with a meal and the cork from the wine bottle is reinserted flush with the top of the bottle or the bottle is otherwise securely closed. [A.R.S. 4-244.31(a)]

Is a retail store required to bag liquor?

No, there is nothing in Title IV liquor law that requires that package liquor be bagged. You will need to check with the city or county in which your business is located to determine if they have a local ordinance covering this issue.

Can a beauty salon, day spa or nail salon obtain a license to serve liquor to their customers?

No, the Department will not issue a license to any business that is deemed inappropriate for the sale and/or consumption of liquor. [(A.R.S. 4-201(H)]

I had a fight in my business. Is that considered an act of violence?

An act of violence can be defined in three ways: (1) bodily injuries were sustained by any person and the injuries would be obvious to a reasonable person, (2) a weapon is brandished, displayed or used or, (3) tumultuous conduct of sufficient intensity as to require the intervention of a peace officer to restore normal order. [4-101.1]

If I reported an act of violence to the police, do I have to report it to the Department?

A licensee must report an act of violence to either the Department or a law enforcement agency with 7 days of the act of violence. When reporting the act of violence to the Department, use the "Act of Violence" form found on our website under the "Forms" section. [A.A.C. R19-1-226, A.R.S. 4-244.36]

Is the parking lot legally considered part of a licensed premise?

No. [A.R.S. 4-101.26]

<u>Is there an exception regarding the parking lot?</u>

Yes. In the situation of an act of violence, the licensee must also report to the Department or a law enforcement agency any acts of violence involving patrons entering or leaving the licensed premises which occur immediately adjacent to the licensed premises when the licensee knew or reasonably should have known of the act of violence. [A.A.C. R19-1-234, A.R.S. 4-210(A)10]

When may the front doors of a licensed establishment be locked?

When all persons other than the licensee and his employees on duty have left the premises however the front doors may be locked immediately after the closing of the business if an employee and one other person remain on the premises. [A.R.S. 4-228]

<u>Is there an exception regarding locked front doors?</u>

Yes. For Series 14 Club licenses only, the club may apply to the director for permission to lock the front entrance to the licensed establishment when there are bona fide safety concerns regarding the club members and their guests. [A.R.S. 4-228(B)(C)]

How many citations may be issued against a liquor license before it may be revoked? If it's serious enough, the first citation could result in revocation.

How long do I need to keep liquor invoices, records, bills etc.?

Two years. Any documents relating to the purchase, sale and delivery of alcoholic beverages must be kept in such condition of storage as to be easily accessible to the Director or any peace officer designated by the Director for examination or audit. [A.A.C. R19-1-218, A.R.S. 4-210(A)7]

<u>Is it legal for a restaurant with a Series 12 license to offer spirituous liquor beverages as part of its off-the-premises catering operation?</u>

No. A restaurant license permits the sale and service of spirituous liquor for consumption on the licensed premises only. [A.R.S. 4-205.02(c)]

What is an employee log?

Any on-sale retailer is required to maintain at the licensed premises a current log of all persons employed at the licensed premises including each employee's full legal name, date and place of birth, address and work related responsibilities. [A.R.S. 4-119]

<u>I own an unlicensed banquet hall.</u> The people renting the hall want to bring in their own liquor. Can they do this?

Yes, as long as they do not do any of the following: (1) charge for the liquor, (2) charge any type of door/cover charge or any type of required participation fee, (3) have a required "donation to offset the liquor cost, or (4) invite the general public.

Does your Department also oversee sales of tobacco?

No. Contact the AZ Department of Revenue.

<u>Does your Department require licensees to disclose whether they have obtained liability insurance?</u>

No. Liability insurance is not required in order to obtain a liquor license.

OUT OF STATE PRODUCERS

<u>I have an out-of-state company and I want to ship beer, wine or spirits into Arizona.</u> What license do I need?

You will need to apply for the Series 02 Out-of-State Producer license.

What businesses will I be able to ship to once I have received my license?

You will be limited to selling to licensed AZ wholesalers and distributors only. No sales to retailers or the general public will be permitted.

Does AZ require monthly reporting of my shipments into the state? No.

Does AZ require label or brand registration?

No.

Does AZ require price posting?

No.

Will I have to designate which wholesaler/distributor I am shipping to?

No. Arizona does not require that you notify our Department as to which wholesalers/distributor you are using. You may ship to as many wholesalers/distributors as you wish.

I am an out-of-state retailer. Am I able to ship directly to AZ residents or retailers?

No. Arizona is a 3-tier state which means that any beer, wine or spirits coming into the state must be sold to an AZ wholesaler. The wholesaler sells to the retailer and the retailer sells to the general public. You would be able to apply for the Series 02 Out-of-State Producer license, but your sales would be limited to wholesalers/distributors only.

OUT-OF-STATE DOMESTIC FARM WINERIES (A.R.S. 4-205.04)

<u>I have a winery located in another state and I want to ship into AZ. What license do I need?</u>

If your winery produces 20,000 gallons or less of wine in a calendar year, you can apply for the Series 2L Out-of-State Domestic Farm Winery license.

Who can I ship to if I qualify for this license?

You will be able to ship to AZ wholesalers/distributors, retailers and the general public.

Will I be required to obtain an AZ Transaction Privilege Tax number from the AZ Department of Revenue?

Yes. One of the privileges of this license is the ability to ship directly to AZ residents. You will be required to obtain the AZ Transaction Privilege Tax license so that you can collect sales tax on those shipments.

Will I be required to report my sales into AZ to your Department?

No. The only requirement you will have is to report your annual gallonage production on a form that will be mailed to you.

What license do I need to apply for if my winery produces more than 20,000 gallons in a calendar year?

You will need to apply for the Series 02 Out-of-State Producer license. Your sales into AZ will be restricted to wholesales/distributors only.

SPECIAL EVENT (A.R.S. 4-203.02)

I want to hold a one day event and I will be selling liquor. What license do I need to apply for?

In order to be able to sell liquor you will need to apply for a Special Event license. This license is not issued to an individual or group, but rather to a non-profit, political, fraternal, religious or civic organization. In exchange for the organization applying for the license, they must be guaranteed by contractual agreement at least 25% of the gross revenues of the special event. A copy of the contractual agreement must accompany the application for the Special Event.

How many special event applications can be submitted by a qualifying organization? Each organization is limited to no more that 10 days in a calendar year. What if the event is being held on a licensed premises?

The licensee must attach a letter to the special event application stating that they are voluntarily suspending their liquor license for the day. In a situation where the special event will take place in only a portion of the licensed premises, the licensee may choose to suspend their liquor license in that portion of the premises only.

Can I sell package liquor during the special event?

No. A Special Event license is for consumption on the premises only.

Is there an exception?

Yes, if the Special Event application states that the event is for a charitable auction for the sale of spirituous liquor. In this instance, the issued Special Event license is for the auction only and no consumption of beer, wine or spirits can take place on the same premises.